

Economic Impact of Healthcare on Michigan


Total Impact*



929,400
jobs



\$50 billion a year
in wages, salaries and benefits



\$15 billion a year
in tax revenue



\$65 billion a year
in total value

Direct Impact



588,000
healthcare jobs



\$35 billion a year
in wages, salaries and benefits



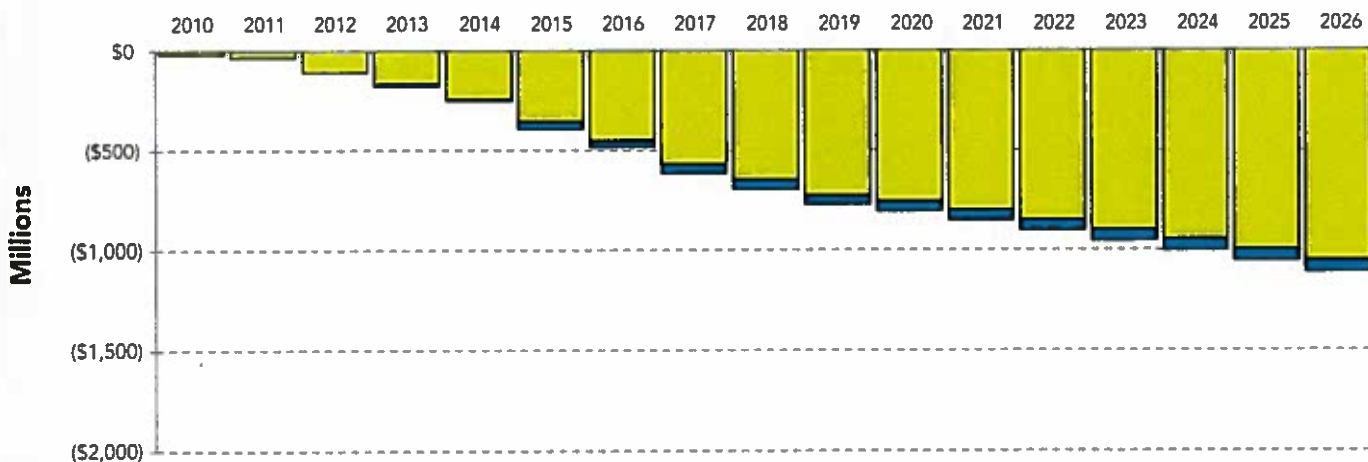

341,000
healthcare-related jobs



\$15 billion a year
in wages, salaries and benefits

*Total Impact = sum of direct, indirect and induced impacts. The sum of the individual number may not equal the total due to rounding.

Impact of Enacted Medicare ACA Cuts Analysis



Impact of the Healthy Michigan Plan



Statewide enrollment: **661,152**

Michigan Healthcare Snapshot



Leading Healthcare



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		Impact of Enacted Cuts (2010-2016)	Impact of Enacted Cuts (2017-2026)	Total Impact (2010-2026)
Legislative (1)	ACA Marketbasket Cuts	IPPS Marketbasket Reduction	(\$707,259,600)	(\$4,184,594,600)
		OPPS Marketbasket Reduction	(\$340,449,400)	(\$2,057,249,500)
		IRF Marketbasket Reduction	(\$29,219,200)	(\$179,023,200)
		LTCH Marketbasket Reduction	(\$43,443,600)	(\$246,654,700)
		IPF Marketbasket Reduction	(\$15,942,400)	(\$135,657,500)
		HH Marketbasket Reduction	(\$14,623,200)	(\$59,683,000)
		SNF Marketbasket Reduction	(\$4,965,000)	(\$22,321,800)
		Medicare DSH Cuts	(\$207,366,000)	(\$1,328,004,700)
	Other cuts			
QBPR (2)		Readmissions Reduction Program	(\$65,849,100)	(\$305,798,200)
		Hospital Acquired Condition Reduction Program	(\$26,005,000)	(\$227,914,300)
		Value-based Purchasing	(\$4,651,000)	\$18,880,000
		Total Enacted Cuts	(\$1,459,773,500)	(\$8,728,021,500)
				(\$10,187,795,000)

This analysis is intended for advocacy purposes only and indicates to what extent that hospital providers have been impacted by existing Medicare provider payment cuts enacted by Congress to achieve Medicare payment policy and/or long-term deficit reduction goals. The impacts shown in this analysis include the major cuts enacted since 2010. Each cut shown in this analysis is described below.

(1) Enacted Legislative Medicare Cuts Include:

- ACA Marketbasket Cuts: These impacts reflect the Affordable Care Act (ACA) of 2010-authorized update factor cuts.

(2) Quality-based Payment Reform Includes:

- ACA-Mandated Quality Based Payment Reform (QBPR): These impacts reflect the IPPS payment adjustments related to the 3 mandatory quality-based payment reforms: value-based purchasing (VBP), readmissions reduction program (RRP), and the hospital-acquired conditions (HAC) reduction program. (The VBP program is budget neutral on a national basis.)

All impacts in this analysis reflect Medicare FFS payments. Dollar impacts may differ from those provided by other organizations due to differences in source data and analytic methods. Dollar impacts have been rounded to the nearest hundred dollars; totals may not foot due to rounding; dollar amounts less than \$50 will appear as zeros.

ECONOMIC IMPACT DATA

The healthcare sector includes hospitals, offices of healthcare providers (physicians, dentists and other healthcare providers), nursing and residential care facilities (nursing, community care and residential mental health/substance abuse facilities), other ambulatory services (outpatient care centers, medical and diagnostic laboratories, and other ambulatory healthcare services), and home health services. The information presented here was compiled using IMPLAN V.3.1 software and 2015 data, along with 2015 data from the American Hospital Association Annual Survey (the most recent data available).

2017 Michigan Medicaid Impact by County





#MiCareMatters

Every day, the Healthy Michigan Plan saves lives, helps Michiganders get back to school and back to work, and pushes our state towards a healthier future. The stories below from hospitals and health systems around Michigan are real examples of the impact of the Healthy Michigan Plan on the health of families and our economy. This spring, we will invite Michigan to join the conversation about how and why healthcare matters to them and their communities using the hashtag #MiCareMatters.

Ascension Health-Michigan

St. John Providence



A 51-year-old woman (now 53) signed up for the Healthy Michigan Plan in April 2014. She then began receiving care at Advantage Family Health Center, an FQHC partner site, not having received any preventative healthcare prior to Healthy Michigan Plan enrollment. They advised her to have the normal screenings for a woman her age, which included a colonoscopy. She did – and providers discovered a mass and diagnosed her with colon cancer. Fortunately, she was able to have surgery to remove the tumor, receive chemotherapy and has now been cancer free since November 2015. **Had she not had access to Healthy Michigan Plan coverage, the patient would not have known she had colon cancer, perhaps delaying healthcare and leading to a terrible outcome.**

Ascension Mid-Michigan Region



A patient came to the hospital and told the staff that she almost didn't come because she had no insurance. She was not aware she could apply for the Healthy Michigan Plan. The Ascension team helped her understand the eligibility qualifications and offered to help her with enrollment. She accepted and was ecstatic. **The patient works 25 hours a week and makes minimum wage. She began to cry knowing she would have medical coverage, and that she also would be able to see a dentist.**



From a patient...

"I am writing this to say THANK YOU! I came in to the ER for an anaphylactic reaction to a bee sting. The extent of my reaction required EKGs and other various intervention. I had no insurance, but came in due to the severity of the reaction. The ER staff got it under control within a few hours, and I was released. Then the bills started coming in. I'm a single mother and life can be a struggle at times. You took my case under your wing, and within less than two weeks, I had Healthy Michigan Plan insurance. My bills are going to be covered. **Since I have insurance, I opted to go to the doctor for a routine check. That check revealed some thyroid issues, which ended up being cancerous. It was found at stage 1, very early, and I am already on the road to recovery.** Without your help, without the insurance you secured for me...I would have never spent the money to go to a doctor. I would have never known about the cancer. I will FOREVER be grateful for you!! **You saved my life!!!** Both your abilities, and the care you extend to patients, is beyond any I have EVER experienced.....you saved my life. There are not enough words to say how much I appreciate your help and all that you did for me. Thank you!! From the bottom of my heart."



A patient lost her job because of her illness. As a result, she also lost her health insurance. She needed chemotherapy and medication and could afford neither. Thanks to the Healthy Michigan Plan, she was able to receive therapy and purchase the medication she needed. In fact, the co-pays for the medication were lower than what she was paying from her former insurance plan. She shared, "So far, this new insurance is working very well. I am getting everything I need."

St. Mary's of Michigan



St. Mary's of Michigan had a client who had moved to Saginaw from Florida. He stated he was a diabetic (type I) and out of insulin because of the cost, and had been without it for a week. The team helped him apply for medical assistance through DHS. He was approved and is now covered by the Healthy Michigan Plan and getting his insulin as well as other medications. **He was referred to Michigan Works and is now employed, in college, and back on his routine medications.**



St. Mary's of Michigan had a client who stated she needed help with prescriptions. When asked why she wasn't getting her medication, she said it was due to the cost and lack of insurance. She also was looking for information on area food banks. The team assisted her with applying for medical insurance and food assistance. She was approved and is now covered by the Healthy Michigan Plan. **This client is now back on her psychiatric medication and has been able to go back to college. She is actively seeing a therapist and PCP.**

Aspirus



An Aspirus patient has diabetes and, due to low income, he could not purchase needed medications nor commit to medical visits. However, after enrollment in the Healthy Michigan Plan, this patient has been able to come in for chronic disease management on a regular basis. He is now able to afford his diabetes medications and supplies. Over the course of this treatment, **thanks to the Healthy Michigan Plan, he has been able to better manage his chronic illness and his A1C has decreased from 8.5 to 7.7.**

Beaumont Health



In December 2016, a young man arrived in a Beaumont emergency department with a badly mangled hand from an accident. He knew the hand was seriously injured and so he was willing to allow his co-workers to bring him to the hospital so it could be stitched. When physicians studied the wound, they knew he needed surgery to repair bone and blood vessel damage. The patient refused, thinking the only thing he could possibly afford was stitches. The man was connected with a financial assistance specialist who interviewed the patient and knew he would qualify for the Healthy Michigan Plan. She signed him up. With a promise of insurance, the patient allowed the necessary treatment to commence. The fear of not being able to pay for the care would have caused more serious problems to the patient and to society. Beaumont physicians said if the surgery had not happened, the man could have had an open wound for an indefinite amount of time, been prone to infection and possibly lose the hand entirely making him unable to ever work at his job, or possibly any job, again. **The Healthy Michigan Plan saved this man's ability to work and likely saved his hand.**



In 2016, a Beaumont patient was diagnosed with chronic Hepatitis C and referred to the Beaumont Liver/Tumor clinic. He would not schedule an appointment or proceed with the recommended treatment for his condition because his insurance ended when his wife was laid off. He could not afford to incur any balances. With the assistance of Beaumont officials, he successfully applied for the Healthy Michigan Plan and can now receive the necessary treatment he needs.



A 54-year-old female Beaumont patient was diagnosed with breast cancer in December 2016. At the time of diagnosis, she was insured by a policy with very limited benefits purchased outside of the marketplace that would not pay for cancer treatment, of which she was unaware. Beaumont officials assisted her with applying for the Healthy Michigan Plan, which she is eligible for with retro coverage. **This patient can now receive breast cancer treatments and has a chance to live a healthy life thanks to the Healthy Michigan Plan.**



A 55-year-old female Beaumont patient had never been uninsured, but lost her job with insurance benefits in November 2016. In January 2017, she received a diagnosis of both a lung and brain mass. As a result, she successfully applied for the Healthy Michigan Plan of which she is eligible to now receive vital care for her diagnosis.

Henry Ford Health System



The Henry Ford Health System team encountered a male patient who had come into the hospital for abdominal pain and nausea several times. Team members ultimately made contact with the patient's daughter and were able to share that he had been diagnosed with cancer. Just knowing that he was approved for medical help due to the Healthy Michigan Plan relieved the family from the turmoil of the cancer diagnosis. According to the staff member that reported this case, "Doing my work, listening to people being grateful, and alleviating some of the burdens that medical bills can place on a family makes me enjoy what I do, with every single case that I work!"

MidMichigan Health



A 64-year-old female patient had been coming to MidMichigan for years with a chronic condition. She was afraid to seek treatment due to lack of insurance and having a low income. She had never been able to qualify for affordable coverage until the Healthy Michigan Plan began. She enrolled, and since then she has received the treatments and follow-up care she needed. Her quality of life has vastly improved, and her condition has been resolved. **She no longer requires treatment.**



A 27-year-old male came to MidMichigan recently because he needed services, but was afraid of the costs. The MidMichigan team discussed the costs with him and reviewed health insurance options. He was surprised that he may be eligible for the Healthy Michigan Plan. The team helped him complete the application – and he called a week later to share that he was approved and was able to get the services he needed.

War Memorial Hospital



From a patient's family member...

"My mother-in-law was diagnosed with Central Nervous System Lymphoma in October 2015. She had a tumor the size of a small fist in her brain. She did not have insurance, and though she was employed and made enough money to support herself without any assistance, she did not make enough to purchase private health insurance. She had not been to a doctor in 40 years; she had not had health insurance for last 15+ years. Immediately, we had her apply for Medicaid, and she was approved for the Healthy Michigan Plan. Thank goodness, because there was no possible way she could have paid for her cancer treatment without this insurance. The prognosis for her cancer in the beginning was very grim, but so far she has beat the odds – **as of today she is cancer free.** She struggles with late effects of chemo and radiation, but **she is alive and back to enjoying life.** If we could have not gotten the coverage she needed, I know she would have opted to not have treatments, and she wouldn't be with us today. I fear what will happen to people like her if they take this option away."